

10-20b.

LSC Use Only No: LSC Action-Date: UWUCC USE Only No. UWUCC Action-Date: Senate Action Date:

09-75 d.

App-11/16/10

App-12/7/10

Curriculum Proposal Cover Sheet - University-Wide Undergraduate Curriculum Committee

Contact Person Alan Gart	Email Address alagart@iup.edu
Proposing Department/Unit Finance and Legal Studies	Phone 724-357-5767

Check all appropriate lines and complete information as requested. Use a separate cover sheet for each course proposal and for each program proposal.

- 1. Course Proposals (check all that apply)**
- New Course Course Prefix Change Course Deletion
 Course Revision Course Number and/or Title Change Catalog Description Change

FIN 310 Fundamentals of Finance	FIN 310
<i>Current Course prefix, number and full title</i>	<i>Proposed course prefix, number and full title, if changing</i>

- 2. Additional Course Designations: check if appropriate**
- This course is also proposed as a Liberal Studies Course. Other: (e.g., Women's Studies, Pan-African)
 This course is also proposed as an Honors College Course.

- 3. Program Proposals**
- New Degree Program Program Title Change Other
 New Minor Program New Track
 Catalog Description Change Program Revision

<i>Current program name</i>	<i>Proposed program name, if changing</i>
-----------------------------	---

4. Approvals		Date
Department Curriculum Committee Chair(s)	<i>Alan Gart</i>	3/3/10
Department Chair(s)	<i>Ibrak Affum</i>	3/3/10
College Curriculum Committee Chair	<i>G. ...</i>	3/3/10
College Dean	<i>R. ...</i>	3/17/10
Director of Liberal Studies *		
Director of Honors College *		
Provost *		
Additional signatures as appropriate: (include title)		
UWUCC Co-Chairs	<i>Gail ...</i>	11/16/10

* where applicable

Received Received
 NOV 10 2010 MAR 24 2010
 Liberal Studies Liberal Studies

Part II. Description of Curriculum Change

1. New syllabus of record. (See Appendix A).
2. A summary of the proposed revision
 - a. Under the Courses Objectives, added Numbers 7 and 8:
 7. Use data from on-line sites such as EDGAR and SEC financial reporting database, and other sources of financial information to aid in financial decision-making.
 8. Comprehend, analyze and evaluate the application of various business software including spreadsheets, databases ERP, for solving organizational problems.
3. Justification/Rationale for the revision.

The change in the course objectives is to recognize the current environment in business and the use of data bases and software techniques. These changes are required by our accrediting body (AACSB).
4. The official old syllabus of record could not be located. Therefore, included is an existing syllabus which was recently used. (See Appendix b).
5. Liberal Studies course approval form and checklist . (Not applicable).

Part III. Letters of Support or Acknowledgement

No other department/programs are affected by the revision

APPENDIX A

**Indiana University of Pennsylvania
The Eberly College of Business and Information Technology
Department Of Finance and Legal Studies**

FIN 310 Fundamentals of Finance 3c – 01 – 3cr

Prerequisites: ACCT 202, MATH 214 for business majors; ACCT 202, MATH 214, or MATH 217 for non-business majors (MATH 214 recommended).

I. Catalog Course Description:

The study of valuation models, financial statement analysis and forecasting, capital budgeting methods, and working capital management. Also includes an introduction to risk and return, capital markets and institutions, and security valuation.

II. Course Objectives:

1. Analyze and forecast financial statements, and understand their uses in making financial decisions.
2. Apply valuation concepts to a wide ranging of assets, including securities, loans, and productive assets.
3. Identify the characteristics of various securities and understand how their markets function.
4. Understand the roles of financial institutions, monetary policy, and interest rates in well-functioning markets.
5. Become familiar with the techniques of managing long-term and short-term assets and liabilities.
6. Apply appropriate analytical techniques to a given business problem, generate and compare alternatives and develop a solution.
7. Use data from on-line sites such as EDGAR and SEC financial reporting database, and other sources of financial information to aid in financial decision-making.
8. Comprehend, analyze and evaluate the application of various business software including spreadsheets, databases ERP, for solving organizational problems.

III. Suggested Detailed Course Outline:

Hours (50 min = 1 hr.)	Topic	Readings/Other material/Assignment s
2.0	Course outline and introduction • The Role and Environment of Managerial Finance	• Chapter 1
4.0	• Financial Statements and Analysis	• Chapter 2 • Assignment
3.5	• Cash Flow and Financial Planning. Quiz #1	• Chapter 3 • Assignment
4.5	• Time Value of Money Assessment #1	• Chapter 4 • Case Analysis
	Exam # 1	
3.0	• Interest Rates and Bond Valuation Assessment #2	• Chapter 6 • Assignment
4.0	• Stock Valuation Quiz #2	• Chapter 7 • Case Analysis
3.5	• Risk and Return	• Chapter 5 • Assignment
4.5	• Capital Budgeting Cash Flows	• Chapter 8 • Assignment
	Exam # 2	
4.5	• Capital Budgeting Techniques	• Chapter 9 • Assignment • Case Analysis
2.0	• The Cost of Capital Quiz #3	• Chapter 11 • Assignment
4.0	• Working Capital and Current Assets Management	• Chapter 14 • Assignment
2.5	• Current Liabilities Management Quiz #4	• Chapter 15 • Assignment
	Cumulative Final Exam (Finals Week)	

IV. Evaluation/ Assessment:

The following evaluation system and weights will be used to determine the final grades:

1. Exam 1	25%	
2. Exam 2	25%	
3. Cumulative Final Exam	25%	
4. Quizzes/ Homework	15%	
5. Assessment #1	5%	<u>College Obj. 3B and 7B; Course Obj. 6</u>
6. Assessment #2	5%	<u>College Obj. 7B; Course Obj. 7 and 8</u>

Exams:

Each of the three exams will be a blend of conceptual questions and numerical problems. Conceptual questions will constitute about 20% of the exams. Numerical problems, similar to the ones solved in class and/or the ones assigned for homework, constitute the remaining 80% of the Exams. *All required formulae will be provided during each exam.*

The Final exam will be cumulative and will require the knowledge of topics covered earlier in the semester.

Quizzes, Homework and Assessments:

Quizzes will be based on material covered in class. Homework problems will be assigned for each chapter. Two assessment problems will be assigned and which will be common for all FIN 310 students. These assessment problems will be graded and entered into a database for comparative analysis.

Attendance and Class Participation:

It is important to attend and voluntarily participate in every class. Individual faculty members will develop requirements in accordance with the policy in the Undergraduate catalog.

V. Example Grading Scale:

The final grades will be based on the following distribution:

90% and above	A
80%-89%	B
70%-79%	C
60%-69%	D
Below 60%	F

VI. Required Text:

Eugene F. Brigham and Joel F. Houston: Fundamentals of Financial Management, 12th edition, Dryden Press, 2010.

Required Reading: *The Wall Street Journal* and other recommended financial periodicals such as *Business Week*, *Barons*, *Financial Times*, *Fortune Magazine* and *The Economist*.

VII. Calculator/ Microsoft Excel:

The recommended in-class calculator is the Texas Instruments BAII Plus Advanced Business Analysis. The calculator is typically used to perform calculations for finding the present and future value of money, present and future value of an annuity, interest rates, bond and stock valuations, analysis of capital budgeting projects and amortization schedules. For homework problems and assessment assignments, students can use Microsoft Excel.

VIII. Bibliography:

Barclay, Michael J. and Clifford W. Smith, Jr. "The Capital Structure Puzzle"; Jay Ritter, ed., Recent Development in Corporate Finance (Northampton, MA: Edward Elgar Publishing Inc., 2005)

Bernanke, Ben. "Is There Too Much Corporate Debt?" *Federal Reserve Bank of Philadelphia Business Review*, September/October 1989, pp. 3-13.

Brick, I. E., O. Palmon and J. Wald. "CEO Compensation, Director Compensation, and Firm Performance: Evidence of Cronyism?" *Journal of Corporate Finance*, June 2006, pp. 403-423

Clements, Jonathon. "Resisting the Lure of Managed Funds," *The Wall Street Journal*, February 27, 2001, C1.

Daves, P., M. Eharhardt, and R. Shrieves. *Corporate Valuation: A Guide for Managers and Investors* (Mason, OH: Thomson/South-Western, 2004).

Elton, E. J., M.J. Gruber, S. J. Brown, and W. N. Goetzman. Modern Portfolio Theory and Investment Analysis, 6th edition, (New York: John Wiley & Sons, 2002).

Graham, John R. and Campbell R. Harvey. "The Theory and Practice of Corporate Finance: Evidence from the Field," *Journal of Financial Economics*, 2001, pp. 187-243

Han T., J. Smit and Lenos Trigeorgis. Strategic Investment: Real Options and Games (Princeton, NJ: Princeton University Press, 2004)

Hull, John C. Options, Futures, and Other Derivatives (Upper Saddle River, NJ: Prentice-Hall, 2006).

Karpoff, Jonathan, M., D. Scott Lee, and Gerald S. Martin. "The Cost to Firms of Cooking the Books" (March 8, 2006). Available at SSRN: <http://ssrn.com/abstract=652121>.

Ritter, Jay. "The Biggest Mistakes we teach." *Journal of Financial Research*, Summer 2002, pp. 159 -168.

Shiller, R.J. Irrational Exuberance, 2nd edition (Princeton, N.J., Princeton University Press, 2005).

APPENDIX B

Indiana University of Pennsylvania
The Eberly College of Business and Information Technology
Department Of Finance and Legal Studies

FIN 310 Fundamentals of Finance 3c – 01 – 3cr

Prerequisites: ACCT 202, MATH 214 for business majors; ACCT 202, MATH 214, or MATH 217 for non-business majors (MATH 214 recommended).

I. Catalog Course Description:

The study of valuation models, financial statement analysis and forecasting, capital budgeting methods, and working capital management. Also includes an introduction to risk and return, capital markets and institutions, and security valuation.

II. Course Objectives:

1. Analyze and forecast financial statements, and understand their uses in making financial decisions.
2. Apply valuation concepts to a wide ranging of assets, including securities, loans, and productive assets.
3. Identify the characteristics of various securities and understand how their markets function.
4. Understand the roles of financial institutions, monetary policy, and interest rates in well-functioning markets.
5. Become familiar with the techniques of managing long-term and short-term assets and liabilities.
6. Apply appropriate analytical techniques to a given business problem, generate and compare alternatives and develop a solution.

III. Suggested Detailed Course Outline:

Hours (50 min = 1 hr.)	Topic	Readings/Other material/Assignment s
2.0	Course outline and introduction • The Role and Environment of Managerial Finance	• Chapter 1
4.0	• Financial Statements and Analysis	• Chapter 2 • Assignment
3.5	• Cash Flow and Financial Planning. <u>Quiz #1</u>	• Chapter 3 • Assignment
4.5	• Time Value of Money <u>Assessment #1</u>	• Chapter 4 • Case Analysis
Exam # 1		
3.0	• Interest Rates and Bond Valuation <u>Assessment #2</u>	• Chapter 6 • Assignment
4.0	• Stock Valuation <u>Quiz #2</u>	• Chapter 7 • Case Analysis
3.5	• Risk and Return	• Chapter 5 • Assignment
4.5	• Capital Budgeting Cash Flows	• Chapter 8 • Assignment
Exam # 2		
4.5	• Capital Budgeting Techniques	• Chapter 9 • Assignment • Case Analysis
2.0	• The Cost of Capital <u>Quiz #3</u>	• Chapter 11 • Assignment
4.0	• Working Capital and Current Assets Management	• Chapter 14 • Assignment
2.5	• Current Liabilities Management <u>Quiz #4</u>	• Chapter 15 • Assignment
Cumulative Final Exam (Finals Week)		

IV. Evaluation/ Assessment:

The following evaluation system and weights will be used to determine the final grades:

1. Exam 1	25%	
2. Exam 2	25%	
3. Cumulative Final Exam	25%	
4. Quizzes/ Homework	15%	
5. Assessment #1	5%	<u>College Obj. 3B and 7B; Course Obj. 6</u>
6. Assessment #2	5%	<u>College Obj. 7B; Course Obj. 7 and 8</u>

Exams:

Each of the three exams will be a blend of conceptual questions and numerical problems. Conceptual questions will constitute about 20% of the exams. Numerical problems, similar to the ones solved in class and/or the ones assigned for homework, constitute the remaining 80% of the Exams. *All required formulae will be provided during each exam.*

The Final exam will be cumulative and will require the knowledge of topics covered earlier in the semester.

Quizzes, Homework and Assessments:

Quizzes will be based on material covered in class. Homework problems will be assigned for each chapter. Two assessment problems will be assigned and which will be common for all FIN 310 students. These assessment problems will be graded and entered into a database for comparative analysis.

Attendance and Class Participation:

It is important to attend and voluntarily participate in every class. Individual faculty members will develop requirements in accordance with the policy in the Undergraduate catalog.

V. Example Grading Scale:

The final grades will be based on the following distribution:

90% and above	A
80%-89%	B
70%-79%	C
60%-69%	D
Below 60%	F

VI. Required Text:

Eugene F. Brigham and Joel F. Houston: Fundamentals of Financial Management, 12th edition, Dryden Press, 2010.

Required Reading: *The Wall Street Journal* and other recommended financial periodicals such as *Business Week*, *Barons*, *Financial Times*, *Fortune Magazine* and *The Economist*.

VII. Calculator/ Microsoft Excel:

The recommended in-class calculator is the Texas Instruments BAII Plus Advanced Business Analysis. The calculator is typically used to perform calculations for finding the present and future value of money, present and future value of an annuity, interest rates, bond and stock valuations, analysis of capital budgeting projects and amortization schedules. For homework problems and assessment assignments, students can use Microsoft Excel.

VIII. Bibliography:

Barclay, Michael J. and Clifford W. Smith, Jr. "The Capital Structure Puzzle"; Jay Ritter, ed., Recent Development in Corporate Finance (Northampton, MA: Edward Elgar Publishing Inc., 2005)

Bernanke, Ben. "Is There Too Much Corporate Debt?" *Federal Reserve Bank of Philadelphia Business Review*, September/October 1989, pp. 3-13.

Brick, I. E., O. Palmon and J. Wald. "CEO Compensation, Director Compensation, and Firm Performance: Evidence of Cronyism?" *Journal of Corporate Finance*, June 2006, pp. 403-423

Clements, Jonathon. "Resisting the Lure of Managed Funds," *The Wall Street Journal*, February 27, 2001, C1.

Daves, P., M. Eharhardt, and R. Shrieves. *Corporate Valuation: A Guide for Managers and Investors* (Mason, OH: Thomson/South-Western, 2004).

Elton, E. J., M.J. Gruber, S. J. Brown, and W. N. Goetzman. Modern Portfolio Theory and Investment Analysis, 6th edition, (New York: John Wiley & Sons, 2002).

Graham, John R. and Campbell R. Harvey. "The Theory and Practice of Corporate Finance: Evidence from the Field," *Journal of Financial Economics*, 2001, pp. 187-243

Han T., J. Smit and Lenos Trigeorgis. Strategic Investment: Real Options and Games (Princeton, NJ: Princeton University Press, 2004)

Hull, John C. Options, Futures, and Other Derivatives (Upper Saddle River, NJ: Prentice-Hall, 2006).

Karpoff, Jonathan, M., D. Scott Lee, and Gerald S. Martin. "The Cost to Firms of Cooking the Books" (March 8, 2006). Available at SSRN: <http://ssrn.com/abstract=652121>.

Ritter, Jay. "The Biggest Mistakes we teach." *Journal of Financial Research*, Summer 2002, pp. 159 -168.

Shiller, R.J. Irrational Exuberance, 2nd edition (Princeton, N.J., Princeton University Press, 2005).